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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D. C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Implementation of the)
Cable Television Consumer) MM Docket No. 92-260
Protection and Competition)
Act of 1992)
)
Cable Home Wiring)

REPLY COMMENTS OF THE NYNEX TELEPHONE COMPANIES

The NYNEX Telephone Companies, New England Telephone and Telegraph Company and New York Telephone Company ("NET" and "NYT", respectively; the "NTCs", collectively), submit these reply comments pursuant to the Notice of Proposed Rule Making ("NPRM") released by the Federal Communications Commission (the "Commission") on November 6, 1992 in the above-entitled proceeding.

I. A FULLY COMPETITIVE ENVIRONMENT CANNOT BE ACHIEVED UNLESS THE COMMISSION ADOPTS THE NTCs' PROPOSALS FOR CUSTOMER CONTROL OF CABLE HOME WIRING IN MULTIPLE UNIT PREMISES.

The NTCs have proposed that multiple unit premises should be classified in two categories, and that different rules for customer control should apply to each category. Where there are active electronics located in the multiple unit premises, the

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customer's control should extend only to the point at which unpowered coaxial cable begins. This point may be located on the roof, in the basement, or on the floor if powered vertical coaxial cable exists. Where there are not active electronics located in the multiple unit premises, the customer's control of cable home wiring should extend to the grounding block or, if there is no grounding block, to an interface point established on the exterior of the multiple unit premises.

Several commenters assert that customer control in multiple unit premises must be limited to control by each subscriber of only that cable home wiring which is within the subscriber's apartment. The Commission should reject this proposal because of its anti-competitive effect.

Minimizing the need to duplicate customer home wiring fosters competition. The ability to compete effectively for a subscriber's business is substantially reduced if the cable services provider controls cable home wiring up to the point of entry into the subscriber's apartment. To get that subscriber's business, a competing provider would have to duplicate the wiring to that subscriber at a cost that would undoubtedly deter the subscriber from selecting the new cable services. Allowing the incumbent cable services provider to control cable home wiring to the point where the wiring enters individual apartments also prevents simultaneous use of the cable by that incumbent and providers of additional services.

The NTCs' proposal for customer control of all unpowered coaxial cable maximizes the opportunity for other cable services providers to compete and to provide additional services. At the

same time, however, the NTCs' proposal recognizes the interests of cable services providers in restricting access to the powered coaxial cable, which includes the providers' active electronics.

In some cases, multiple subscribers may share the use of unpowered coaxial cable in common areas such as hallways, before the point at which it enters a subscriber's premises. This fact should not provide the excuse for an incumbent cable services provider to own or control this common wiring, and thereby defeat the goal of both Congress and the Commission to foster competition in the cable industry.

In such multiple unit premises, unpowered coaxial cable that is used by more than one subscriber should be controlled by the building owner. Competition will be better served by allowing the building owner -- rather than an incumbent cable services provider -- to determine access to and use of the unpowered coaxial cable. In addition, the Commission should exercise its authority to require that all future installations shall be made in a manner that eliminates the common use of unpowered coaxial cable.

II. A FULLY COMPETITIVE ENVIRONMENT CANNOT BE ACHIEVED IF THE COMMISSION ADOPTS CERTAIN PROPOSALS REGARDING THE PURCHASE OF CABLE HOME WIRING AND PROSPECTIVE APPLICATION OF CABLE HOME WIRING RULES.

Several commenters magnanimously offer to allow customers to purchase their cable home wiring upon termination of service at "fair market value." A procedure to determine "fair market value" is administratively cumbersome and rife with possibilities for anticompetitive conduct by the incumbent. In

effect, these commenters would require the customer to incur a cost equal to that required to duplicate the customer's existing cable home wiring. Such proposals should be rejected by the Commission.

It is equally disingenuous to suggest that the Commission's rules should apply on a prospective basis only. It is the NTCs' understanding that cable now passes 90% of American homes, and cable service is actually provided to 60% of American households. The opportunity to compete for the business of the remaining 40% -- or, indeed, 10% -- of American households hardly achieves the goal of full and fair competition in the cable industry.

III. CONCLUSION

The NTCs respectfully request that the Commission adopt rules consistent with the NTCs' comments and reply comments in this proceeding.

Respectfully submitted,

New England Telephone and
Telegraph Company and
New York Telephone Company

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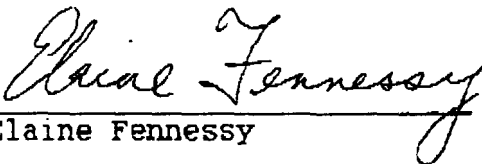
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Dated: December 15, 1992

CERTIFICATE OF SERVICE

I certify that copies of the foregoing REPLY COMMENTS
OF THE NYNEX TELEPHONE COMPANIES were served on each of the
parties listed on the attached Service List, this 15th day of
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